<u>REMARKS</u>

The Office Action in the above-identified application has been carefully considered and this amendment has been presented to place this application in condition for allowance.

Accordingly, reexamination and reconsideration of this application are respectfully requested.

Claims 143–144 and 146-147 are in the present application. It is submitted that these claims, are patentably distinct over the prior art cited by the Examiner, and that these claims are in full compliance with the requirements of 35 U.S.C. § 112. The new claims, as presented herein, are not submitted for the purpose of patentability within the meaning of 35 U.S.C. sections 101, 102, 103 or 112. Rather, these claims are submitted simply for clarification and to round out the scope of protection to which Applicants are entitled. Claims 145 and 148 are canceled.

Claims 143 and 146 were rejected under 35 U.S.C. § 102(b) as being anticipated by Klingler et al. (U.S. Patent 5,404,316). Claims 144 and 147 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Klingler in view of Duffy et al. (U.S. Patent 5,339,393). Claims 145 and 148 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Klingler in view of Slye et al. (U.S. Patent 5,261,820).

The present invention "modifying the edit processing performed on one of said plurality of clips in producing said edit resultant clip, setting the enable/disable flags corresponding to each of said plurality of clips linked in said tree structure above the modified edit processing to disable, re-edit processing each of said plurality of clips having enable/disable flags set to disable, thereby re-producing said edit resultant clip to include the modified edit processing,

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automatically updating said clip management data and link information for each of said plurality of clips in accordance with the modified edit processing; and re-setting the enable/disable flags corresponding to each of said plurality of clips linked in said tree structure above the modified edit processing to enable." (Claims 143 and 146)

This automatic updating of the information defining the resultant clip is described on pages 97, 112-113, and 116 in reference to Figures 26 and 29. In this manner, when the user changes (or modifies) one or more clips used in producing a resultant clip, the present invention uses the enable/disable flags to branch through those portions of the tree structure affected by the changed editing and automatically updates all effected clips.

The Examiner concedes "Klingler does not teach updating data and link information in accordance with enable/disable flags corresponding to each of said plurality of clips." (Office Action page 4) Rather to meet the present invention's enable/disable flag limitation, the Examiner relies on Slye for teaching "a method of editing a computer simulation wherein flags are set to indicate the update of the views (col.5, lines 16-21)." (Office Action page 4)

Specifically, Slye states: "the view is updated at step 102 and a flag is set at step 104 indicating that the views have been updated." (Column 5, lines 18-20; Figure 3d) Hence, Slye only discusses a single flag and not a plurality of flags corresponding to each of said plurality of clips as required in the present claims. Moreover, Slye sets the flag to indicate the view has already been updated and not that the clips are ready to be updated as required in the present claims.

Thus, Slye's updated view flag fails to meet the enable/disable flags limitation of the present invention

Accordingly, for at least this reason, any combination of Klingler, Duffy, and Slye fails to obviate the present invention and claims 143–144 and 146-147 should now be allowed.

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In view of the foregoing amendment and remarks, it is respectfully submitted that the

application as now presented is in condition for allowance. Early and favorable reconsideration

of the application are respectfully requested.

An extension of time fee is deemed to be required for the filing of this amendment. No

additional fees are anticipated, but if such are required, the Examiner is hereby authorized to

charge any insufficient fees or credit any overpayment associated with the above-identified

application to Deposit Account No. 50-0320.

If any issues remain, or if the Examiner has any further suggestions, he/she is invited to

call the undersigned at the telephone number provided below. The Examiner's consideration of

this matter is gratefully acknowledged.

Respectfully submitted,

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